GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:672
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Norms/Criteria for Unstallation of ATMs
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Will the Minister of FINANCE be pleased to state:

(a) the norms/criteria fixed for installation of Automated Teller Machines (ATMs) by the public and private sector banks in public places including railway stations;
(b) whether the demand to open ATMs at railway stations is on the rise and if so, the details thereof;
(c) the number of ATMs presently functioning in the country including rural areas, bank and State-wise including Karnataka; and
(d) the steps taken / being taken by the Government for installation of more ATMs in rural areas in the country?

Answer

The Minister of State in the Ministry of Finance

(a) to (d) As per extant policy of Reserve Bank of India (RBI), all Scheduled Commercial Banks (excluding Regional Rural Banks) do not need to obtain permission of RBI for installation of ATMs at branches and extension counters for which they hold licenses issued by RBI. Scheduled Commercial Banks can also install Off-site ATMs without the permission of RBI subject to certain conditions. In order to expand the reach of ATMs in Tier III centre (population between 20,000 to 49,999) to Tier VI centre (population less than 5000), RBI decided to permit non-bank entities incorporated in India under the Companies Act 1956, to set up, own and operate ATMs in India in 2012. Non-bank entities that intend setting up, owning and operating ATMs, are christened "White Label ATM Operators" (WLAO) and such ATMs are called "White Label ATMs" (WLAs). Three different schemes are available to WLAOs for setting of WLAs which incentivize setting up of WLAs in Tier III to Tier VI centres. As on 31.12.2015, 11706 WLAs have been set up.

Indian Banks' Association (IBA) has informed that there is growing demand to open ATMs at Railway Stations, especially at Metro Stations. Some White Label ATM operators look for good locations, including railway stations, with potential for large number of ATM hits.

As on 31.12.2015, Scheduled Commercial Banks (SCBs) have 193434 ATMs across the country. Regional-wise deployment of ATMs and State-wise list of ATMs is given in Annexure-1 and Annexure-2 respectively.

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